



Department of Energy
Richland Operations Office
P.O. Box 550
Richland, Washington 99352
JUL 31 1998

98-PRO-650

Mr. R. D. Hanson, Acting President
Fluor Daniel Hanford, Inc.
Richland, Washington 99352


Dear Mr. Hanson:

CONTRACT NO. DE-AC06-96RL13200 – EXECUTED MODIFICATION M044

Reference letter FDH-9855881 R1, dated July 28, 1998, subject as above,

J. L. Jacobsen, FDH to S. A. Sieracki, RL. Enclosed for your files is a fully executed original Modification M044, signed by both FDH and the RL Contracting Officer. Should you have any questions, please contact me on (509) 376-8948, or Alan Hopko of my staff on (509) 376-2031.

Sincerely,


Sally A. Sieracki
Contracting Officer

PRO:AEH

Enclosures

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. CONTRACT ID CODE		PAGE OF PAGES 1 5	
2. AMENDMENT/MODIFICATION NO. M044		3. EFF. DATE JUL 31 1998		4. REQUISITION/PURCHASE REQ. NO. N/A		5. PROJECT NO. (If applicable)	
6. ISSUED BY U.S. Department of Energy Richland Operations Office 825 Jadwin Avenue MSIN A7-80 Richland WA 99352				7. ADMINISTERED BY (If other than Item 6) U.S. Department of Energy Richland Operations Office P.O. Box 550 MSIN A7-80 Richland WA 99352			
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) Fluor Daniel Hanford, Inc. P.O. Box 1000 Richland WA 99352						9A. AMENDMENT OF SOLICITATION NO.	
						9B. DATED (SEE ITEM 11)	
						10A. MODIFICATION OF CONTRACT/ORDER NO. DE-AC06-96RL13200	
						10B. DATED (SEE ITEM 13)	
CODE	FACILITY CODE						
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS							
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.							
12. ACCOUNTING AND APPROPRIATION DATA (If required)				N/A		\$0.00	
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.							
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.							
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (Such as changes in playing office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103 (b).							
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:							
X D. OTHER (Specify type of modification and authority) FAR 43.103(a)(3)							
E. IMPORTANT: Contractor <input type="checkbox"/> is not <input checked="" type="checkbox"/> is required to sign this document and return 2 copies to issuing office.							
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)							
A. The purpose of this modification is to revise Part III, Section J, Appendix B, Advance Understanding of Allowable Personnel Costs, to incorporate the Personal Time Bank Program. Pages J-B-12, and J-B-13, are replaced by the attached pages, J-B-12 through J-B-13.2.							
B. All other terms and conditions of this contract remain unchanged and in full force and effect.							
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.							
15A. NAME AND TITLE OF SIGNER (Type or print) E. W. Penn, Jr. Vice President, Project Control				16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Sally A. Sieracki			
15B. CONTRACTOR/OFFEROR (Signature of person authorized to sign)		15C. DATE SIGNED 7/27/98		16B. UNITED STATES OF AMERICA BY (Signature of Contracting Officer)		16C. DATE SIGNED 31 Jul 98	

Form 5500 will be provided to DOE each year when prepared by the Contractor.

- C. Employee forfeitures of accrued benefits shall be in accordance with the terms of the Plan and such forfeitures shall be used to reduce Contractor contributions made on behalf of remaining participating employees.
- D. In the event of Contract expiration or termination, the Contractor, if requested by DOE to do so, will transfer to a replacement contractor the Plan, Plan assets and Plan liabilities.
- E. In the event of Plan termination, including partial termination, resulting from such actions as reassignment, termination, or expiration of the Contract or termination of the Plan by the Contractor, Plan assets shall be distributed in accordance with the terms of the Plan relating to Plan termination and the provisions of the Employee Retirement Income Security Act (ERISA) of 1974, as amended. After satisfaction of all Plan liabilities if there are any Plan assets remaining which are permitted by law to revert to the Contractor, such assets shall become payable to the DOE no later than 30 days following the latest date the Plan assets are permitted to revert to the Contractor under ERISA or any other applicable law.
- F. The Contractor will take no action concerning termination, merger, spin-off, or other action affecting the status of the Plans as separate, contract-only plans without the approval of DOE.

4.5 PAID ABSENCES

- 4.5.1 Personal Time Off - A Personal Time Bank (PTB) will be established for eligible employees. Absences for leisure time off, personal time off, facility closure days (holidays), time away from work due to illness or injury, family emergencies or medical/dental appointments will be charged to the employee's PTB account if the employee wishes to receive pay for the absence. All absences of more than four hours will be charged to an exempt employee's PTB account.

Eligible Employee: Regular full-time or part-time exempt and salaried nonexempt employees.

Pay Rate: Hours taken as time off will be paid at the employee's base salary rate in effect at the time of absence.

Composition: Accrual rates will include the following:

Vacation:	0-5 years service	80 hrs/yr
	>5 years service	120 hrs/yr
	>10 years service	160 hrs/yr
	>20 years service	200 hrs/yr

Holidays: 72 hours designated as facility closure days
8 hours designated by employee as floater

The facility closure days include New Year's Day, President's Day*, Memorial Day*, July 4th, Labor Day, Thanksgiving Day, Friday After Thanksgiving, December 24, and Christmas Day.

*These days are observed on the day specified by Federal Law.

Sick/Personal:	Exempt - 40 hrs/yr
	Salaried nonexempt - 56 hrs/yr

Time Not Included: Absences for the following will not be taken from an employee's PTB account: Death in the Family (up to 5 days per event), Absences of less than four hours for exempt employees, EA Time (8 hours per year for employees who work north of the Wye Barricade), Jury Duty, Military, Road Conditions, Plant Injury, Volunteerism, and miscellaneous absences as defined in the PTB Policy..

Cash Out Provision: During periods of active service, eligible employees may request a partial cash out of accrued PTB hours.

- Employees will be allowed one cash out in a calendar year except in those cases where the employee is terminating.
- At least 120 hours must remain in the employee's account after the cash out.

- The maximum hours which may be cashed out in a calendar year are 40 hours in 1998, 80 hours in 1999, and 120 hours in 2000 and thereafter.
- The rate of cash out will be at the base salary at the time of cash out. Cash out will be in one hour increments.
- Employees may opt to put the cash directly into their after-tax Savings Plan account.

Maximum PTB Hours: An employee may accumulate up to a maximum number of PTB hours as follows:

- | | |
|--------------------------|------------|
| ● In 1998 | 720 hours |
| ● In 1999 | 800 hours |
| ● In 2000 | 900 hours |
| ● In 2001 and thereafter | 1000 hours |

Implementation Plan and Schedule

Transition from the current salary continuance program to the PTB Program will be effective January 2, 1998. PTB will be implemented as follows:

- The first facility closure day, January 1, 1998, will be paid as a holiday under the current policy. It is not included in the 1998 PTB accrual.
- PTB will be front loaded with 40 hours (exempt) and 56 hours (salaried nonexempt) on January 2, 1998, and again on January 1, 1999.

EXEMPT ACCRUALS (hours per biweekly pay period)

	<u>1998</u>	<u>1999</u>	<u>2000</u>
0-5 years of service	5.85	6.15	7.69
5-10 years of service	7.38	7.69	9.23
10 to 20 years of service	8.92	9.23	10.77
More than 20 years of service	10.46	10.77	12.31

SALARIED NONEXEMPT ACCRUALS (hours per biweekly pay period)

	<u>1998</u>	<u>1999</u>	<u>2000</u>
0-5 years of service	5.85	6.15	8.31
5-10 years of service	7.38	7.69	9.85
10 to 20 years of service	8.92	9.23	11.38
More than 20 years of service	10.46	10.77	12.92

- 5.0 TRAVEL AND RELOCATION COSTS - Necessary and reasonable expenses incurred by employees and prospective employees for travel and relocation at the request of the company in connection with work under this Contract are allowable, subject to applicable provisions of FAR Subpart 31.2 and 31.205-46, except that no Project Assignment Allowance nor return relocation costs are allowable. In accordance with these regulations, Contractor employees, including Major Subcontractors, transferred from corporate entities will be administered under the Contractor's common Relocation and Travel policies which are subject to the review and approval of the Contracting Officer. Special allowances for relocation of employees of Numatec shall be as set out in Schedule 1., attached hereto.
- 6.0 COLLECTIVE BARGAINING AGREEMENTS - Wage rates, benefits, and other allowances to be paid to or for bargaining unit employees shall require the approval of the Contracting Officer.
- 7.0 WORK FORCE RESTRUCTURING - The Contractor will comply with the requirements of the applicable Hanford Site Work Force Restructuring Plan which implements Section 3161 of the National Defense Authorization Act for Fiscal Year 1993. Costs associated with the implementation shall be allowable for those activities described in the applicable Plan.
- 8.0 EMPLOYEE MORALE, RECREATION, AND WELFARE PROGRAMS - Costs incurred for such programs are allowable in an amount not to exceed twenty dollars (\$20.00) per employee per year.



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Sincerely,

ORIGINAL SIGNED BY:

Sally A. Sieracki
Contracting Officer

PRO:AEH

Enclosures

bcc: PRO Off File
PRO Rdg File
CCC Rdg File
Record Note: This closes FDH action letter FDH-9855881 R1
Transltr.M044 #

RECEIVED

JUL 31 1998

DOE-RL/RLCC

Office >	PRO	PRO				
Surname >	HOPKO	SIERACKI				
Date >	7/31/98	31 Jul 98				

(Please return to Rosie Garza 6-7736 A7-80/FED/FAX 6-5378)

Document No. 4822